Bits™

COMPLIANCE INFRASTRUCTURE · FOR REGULATED FINANCIAL COMPANIES IN THE EU

Why AMLR 2027 is a data architecture problem

What compliance teams need to do about it before 10 July 2027.

REGULATION	APPLIES	PUBLISHED	FOR
EU 2024/1624	10 July 2027	4 June 2026	Heads of Compliance & Risk

N°01 ABSTRACT & CONTENTS

A regulation that replaces the harmonised core of EU AML law in all 27 member states at once — and asks for one connected data architecture underneath.

BY THE NUMBERS

27 — **Member states** bound by one identical standard from 10 July 2027

40 — **Institutions** under direct AMLA supervision from January 2028

1 — **Customer record** that onboarding, monitoring & cases must share

CONTENTS

01

THE SHIFT

How AMLR differs from previous EU AML directives

A regulation, not a directive. From July 2027 the same rules apply in Stockholm, Amsterdam, and Frankfurt without interpretation — and whatever you build to AMLR architecture applies across every EU market at once.

§ 01 THE SHIFT — REGULATION, NOT DIRECTIVE

One standard, designed once — applied across every market you operate in

DIRECTIVE → REGULATION

DIRECTIVE, TODAY

Transposed by each state into local law — 27 calibrations, logic rebuilt per market.

REGULATION, JULY 2027

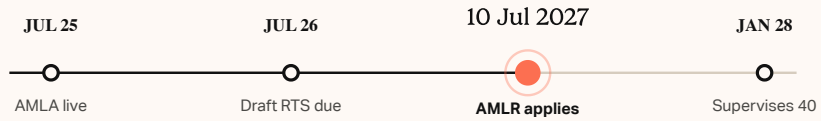
Directly applicable, no transposition. One standard, identical in all 27 states.

The move from directive to regulation sounds procedural. In practice it changes what you build compliance on.

A directive is interpreted; a regulation is not. AMLR removes the national layer: the compliance logic is designed once, to the AMLR standard, and local data sources feed into it per market.

A NEW SUPERVISOR SITS ABOVE IT

AMLA — operational since July 2025 — adds an EU-level oversight layer, and from January 2028 directly supervises 40 of the bloc's highest-risk institutions.



02

THREE CHANGES THAT REQUIRE A STRUCTURAL RESPONSE

Where the data model breaks first

UBO calculation changes method entirely. Transaction Monitoring becomes a legal obligation that needs onboarding data. Source & Destination of Funds extends to every relationship.

§ 2.1 BENEFICIAL OWNERSHIP

UBO identification: AMLR standardises how beneficial owners are calculated

TWO ROUTES, IN PARALLEL

OWNERSHIP

Multiplied across chains, summed, at 25% or more. Art. 52

CONTROL

50%+1 of shares/votes, or board, veto, nominee rights. Art. 51 · 53

AMLR fixes one method for everyone — and it surfaces people today's methods quietly miss.

The **dominance method** traces each chain to the majority owner and stops. AMLR's **accumulation method** multiplies and sums across all chains, at "25% or more".

FOR COMPLIANCE TEAMS

More named individuals — each needing verification, screening, and monitoring. The workload compounds across the portfolio.

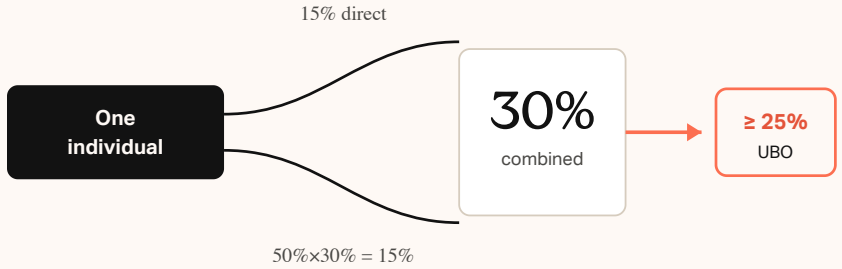


Fig. 2 Two sub-threshold chains drop out under the dominance method — this person is never surfaced.

§ 2.1 THE METHOD CHANGES THE RESULT

Dominance vs. accumulation, at a glance

Ownership mapping that is complete by today's standard will be incomplete from July 2027.

Any UBO engine built to current national methods produces fewer named individuals than AMLR requires.

	DOMINANCE METHOD	ACCUMULATION METHOD
Calculation	Trace to majority owner, then stop	**Multiply & sum across all chains**
Threshold	More than 25%	**25% or more**
Control	Varies by member state	**Mandatory, assessed in parallel**
Coexisting layers	Varies	**Art. 54 sets a separate rule**
Result	**Fewer named individuals**	**More — each needing verification & monitoring**

§ 2.2 TRANSACTION MONITORING

A legal obligation that requires onboarding data

Monitoring becomes a legal obligation — and it can only be met with onboarding data within reach.

The baseline moves. Monitoring that watches transaction patterns alone — without onboarding data, UBO structure, and risk score — does not meet the standard. Rules need to know what expected looks like for *that* customer.

FOR COMPLIANCE TEAMS

A system that can't pull the onboarding record when an alert fires has a clear gap — applying generic thresholds and flagging activity entirely consistent with what the customer declared. Art. 26(1) · 26(3)

§ 2.3 SOURCE & DESTINATION OF FUNDS

No longer high-risk-only — it applies to every relationship

SCOPE

ART. 25

Understand the purpose and nature of every relationship before entering it — and, where necessary, source and destination of funds.

One word does the work: universal. It moves from a high-risk add-on to part of every customer's baseline record.

The scope is the change. The data is no longer a conditional branch for a subset of customers — it becomes part of the baseline record for every relationship, available to every downstream check.

FOR COMPLIANCE TEAMS

Questionnaires that show these fields conditionally need structural redesign — and the data must flow downstream into risk scoring and monitoring. Collecting it without using it covers only half the requirement.

03

THE ARCHITECTURE

Why AMLR requires connected compliance data

Onboarding must feed monitoring, monitoring must trigger reviews, and every decision must be reconstructable on demand. In most stacks today that data sits in separate tools. The architecture change is the requirement.

§ 03 ONE CONNECTED PROCESS

Onboarding, monitoring, and cases on the same customer record

ART. 77

Retain each assessment so the decision can be reconstructed on demand.

PERPETUAL KYC

A continuously updated record — not a static snapshot.

The requirements only hold if compliance data moves between systems.

01 **UBO.** The ownership graph must be queryable by monitoring when a transaction triggers a review.

02 **Monitoring.** Rules need the risk score and declared activity — not just transaction history.

03 **Source of Funds.** Onboarding data must be visible at an alert, and at inspection.

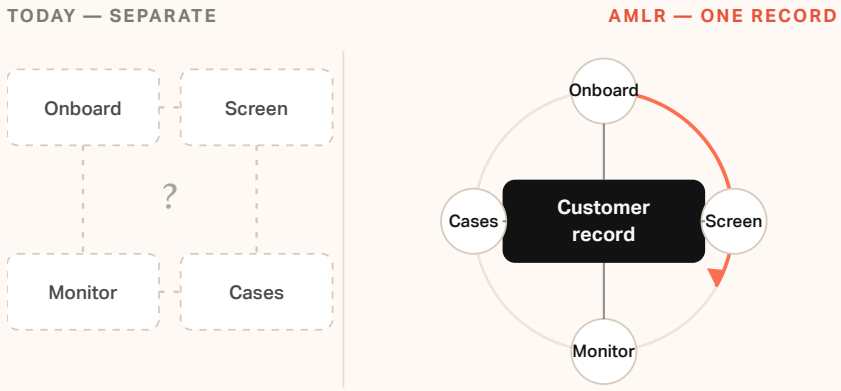


Fig. 3 Each tool can be updated independently and still fail AMLR if the systems don't share one record.

ACTION WHAT TO BUILD TO

A four-point infrastructure checklist for AMLR 2027

01

Onboarding data must feed monitoring

The record built at onboarding must be live when a transaction triggers a review.

Art. 26(1)

02

Monitoring must trigger reviews automatically

A sanctions hit or ownership change obliges a review — not only on a calendar cycle.

Art. 26(3)

03

UBO must implement the full framework

Accumulation across chains at 25%+, control in parallel, and Art. 54 where they coexist.

Art. 51–54

04

Every decision must be reconstructable

The data, the signals, the outcome — retrievable on demand from one evidence trail.

Art. 77

Assessing your stack against AMLR?

We're happy to walk through what AMLR means for your specific setup — registry by registry, surface by surface. Build the architecture once; apply it across every EU market.

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